

AS OF 1050 7 JUNE 1954

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MEMORANDUM FOR THE SECRETARY OF DEFENSE  
 ATTN: General Graves B. Erskine, USMC (Ret.)

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DRAFT

Subject: NSA Personnel Problems

Reference: Memo from OSO/OSD for Director, NSA, Subject as above, A 20470, 16 Apr 54

1. I welcome the opportunity afforded by your memorandum of 16 April to review our progress and to discuss some of the personnel problems confronting this Agency in carrying out its assigned missions. These problems are not exclusive to the Communications Intelligence field. They also occur to a considerable degree in Communications Security. My comments in answer to your memorandum will apply with equal force to both segments of the cryptologic activities.

2. As you point out, one of the most important of these problems is that of strengthening the career aspects of the cryptologic effort, as regards both civilian and military personnel, and within the Agency as well as outside it in the important area of field support. I am convinced that professionalism is essential to our maximum success in the cryptologic effort. Professionalism is essentially a matter of developing and retaining individuals who are professionals. The non-existence of an industrial, commercial, or academic counterpart in cryptologic technology as it has developed in government service makes it impossible to obtain professionals except by establishing attractive and satisfying careers for personnel within the government agencies contributing to cryptologic production. The necessity for this is forcefully pointed out in the Brownell Committee Report as well as in the Robertson Report, entitled "Potentialities of COMINT for Strategic Warning," sponsored by the NSA Scientific Advisory Board, and provided to you with CIB 000199, 6 November 1953. Because of my conviction in this respect I have devoted much effort during the past three years in promoting a spirit of professionalism in NSA.

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Deputy Associate Director for Policy and Records

On 20130423 by RLP

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3. With this in mind, I should like to comment on the specific aspects which you mentioned in paragraph 2 of your memorandum (your subparagraph lettering applies):

a. NSA civilian employees should be placed in a more favorable position insofar as overseas duty is concerned. The ability to make commitments for concurrent travel of dependents, free and adequate medical service, free life insurance where hazards exist, transportation of commercial carrier, movement of household goods and automobiles, payment of station allowances, reimbursement for expenses (storage, etc.) resulting from overseas movement, availability of commissary, PX, liquor mess, and club privileges, and the like, would go far toward solving our existing problems. Specific legislation may be necessary to assure some of these privileges; administrative action by the Department of Defense could probably obtain others. It is appreciated that employee commitments to accept overseas assignments on request may be a prerequisite to obtaining such privileges but no major difficulties are anticipated in this respect.

b. The use of civilian intercept operators has been given serious thought with a view to overcoming some of the current handicaps caused by rapid turnover in military intercept operators and the increasing technical difficulties in intercepting complex types of transmissions. But civilian intercept clearly cannot be regarded as a universal panacea for our COMINT collection ailments. Even the UK, which has a well established civilian collection program, has encountered serious difficulties, although their situation is much more favorable than that of this country in at least two major respects: the enormously greater percentage of their intercept positions which can be, and are, located at home; and the relatively greater stature and advantages of civil service as a profession in the U.K. I am however taking two exploratory actions:

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- (1) I am discussing a proposal for increased CIA participation in the national collection effort with the Director of Central Intelligence.
- (2) As I discussed with you, I am making plans for the experimental conversion of a service-operated intercept station to civilian operation by NSA.

c. The restrictions imposed by government security regulations which effect the recruitment of otherwise highly qualified personnel generally fall into two main categories:

- (1) Many qualified applicants, particularly in the linguistic field, are aliens or recently naturalized U.S. citizens, or have intimate foreign connections. This is true particularly for linguists familiar with the more critical oriental and middle-eastern languages. These standards can be waived at my discretion, but each case must be judged on its individual merits, comparing the operational need with the results of all investigative material and information available.
- (2) Occasionally it is found that top-level scientists in fields in which NSA is vitally interested have records of affiliation in varying degrees with questionable, Communist-inspired or infiltrated, and even cited organizations.

The selection and investigative standards of USCIB Directive No. 5 in some respects are more restrictive than the provisions of E.O. 1<sup>0</sup>450. The restrictions of neither are considered unreasonable and I do not recommend that they be relaxed or that authority be granted to make exceptions other than those now in existence.

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CIA has a somewhat different problem, in that certain assignments can be fulfilled only by specific individuals with definite backgrounds and qualifications which in themselves would disqualify an individual from COMINT employment.

d. The problems of civilian career policies may be subdivided into four subcategories: (1) overseas duty [discussed in subparagraph a, above]; (2) the status of the civil servant in the U.S. vis-a-vis other occupations [this is less favorable than I would desire but I consider the problem goes beyond this discussion]; (3) relationships between military and civilian elements of NSA [discussed in subparagraph g, below]; and (4) the betterment of the situation of the civilian employee of NSA headquarters within established civil service policies. In this latter field, great strides have been made in the past three years as indicated by the charts and summaries attached as Inclosure 1. In addition, action will be taken to reach an agreement with the military cryptologic agencies whereby a free exchange of civilian employees is possible in an integrated career development program. Each agency would be guaranteed the return of its employee on the completion of a tour of duty with another agency. Much, of course, remains to be done, and I feel that one of the major problems which you can help in solving is the establishment of additional super-grades.

So long as the civilian personnel of NSA are administered according to

e. I do not believe that NSA should operate under rules for the Civil Service release of "deadwood" personnel differing in any material respect from those rules, set up by the Civil Service Commission for the government services as a whole. Although the application of existing regulations by supervisory personnel may not yet be perfect, I expect a continuing improvement in the quality and performance of supervisors as a result of the well-advanced management improvement and executive development programs of NSA. Better usage of available procedures for release of "deadwood" personnel is expected as a result.

f. (1) The second major recommendation of the Majority Report of the Joint Congressional Committee on the Investigation of the

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Attack on Pearl Harbor was that the military services proceed forthwith to provide that (p. 253):

"... officers be selected for intelligence work who possess the background, penchant, and capacity for such work; and that they be maintained in the work for an extended period of time in order that they may become steeped in the ramifications and refinements of their field ... . Efficient intelligence services are just as essential in time of peace as in war, and this branch of our armed services must always be accorded the important role which it deserves."

- (2) The foregoing recommendation was repeated and amplified later on (p. 257) in the same Report, as follows:

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"8. The coordination and proper evaluation of intelligence in times of stress must be insured by continuity of service and centralization of responsibility in competent officials.  
(Emphasis in original.)

... Nevertheless, there is substantial basis, from a review of the Pearl Harbor investigation in its entirety, to conclude that the system of handling intelligence was seriously at fault and that the security of the Nation can be insured only through continuity of service and centralization of responsibility in those charged with handling intelligence. And the assignment of an officer having an aptitude for such work over an extended period of time should not impede his progress nor affect his promotions. (Emphasis in original.)

The professional character of intelligence work does not appear to have been properly appreciated in either the War or Navy Departments. It seems to have been regarded as just another tour of duty, as reflected by limitations imposed on the period of assignment to such work, among other things. The committee has received the distinct impression that there was a tendency, whether realized or not, to relegate intelligence to a role of secondary importance.

As an integrated picture, the Pearl Harbor investigations graphically portray the imperative necessity, in the War and Navy Departments, (1) for selection of men for intelligence work who possess the background, capacity, and penchant for such work; (2) for maintaining them in the work over an extended period of time in order that they may become steeped in the ramifications and refinements of their field and employ this reservoir of knowledge in evaluating data received; and (3) for the centralization of responsibility for handling intelligence to avoid all of the pitfalls of divided responsibility which experience has made so abundantly apparent."

- (3) In the light of the foregoing recommendations, I do not consider that the military cryptologic career programs of the Armed Services are developing. On the contrary, the Army program seems

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to be atrophying and the Navy program retrogressing. The fault does not lie primarily with the service cryptologic agencies, which appear to be well aware of deficiencies and the action to be taken to correct them. They form, however, a very small segment of the entire military establishment, which is dominated by "line-mindedness" to such an extent that specialization is professionally penalized. This is self-perpetuating: not only does the specialist in uniform rarely rise to general or flag rank, but those who do are rarely assigned to positions where they can exercise a corrective influence on this state of mind. One major contribution to solution of this problem would be the establishment of six general (flag) officer billets for cryptologic careerists, two for each service, of which one each would be in the Service cryptologic activity and one in NSA. It will be desirable on occasion to fill some of these billets by non-careerists, in which case the cryptologic general (flag) officers so displaced should be assigned temporarily to related fields such as intelligence and communications. Along with this, selection procedures should be so established that cryptologic career officers will not be penalized by choice of this career field in promotions through the grade of O-6. In addition to the establishment of an officer cryptologic career program, the designation of the Army Security Agency and the Navy Security Group as major service commands would be advantageous. I feel that the AFSS which is so designated has a considerable advantage over the other two

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service cryptologic agencies. I am concerned, also, over the attitude which I have sensed, at least as regards one service, that NSA is outside of and foreign to the military community, and that officers who have completed a loyally-performed tour of duty with the Agency must demonstrate their "de-NSAization" prior to full acceptance back into their parent military service. The direct effect within NSA of the failure of the military services to establish and promote cryptologic professionalism as a military career is that not only do I not have a sufficient number of qualified and experienced officers, but I am handicapped by the necessity of utilizing unqualified and inexperienced military personnel.

- (4) Another vitally important aspect of this military career problem is that of the enlisted technician. I am firmly convinced that the major contribution to the solution of our field collection and analysis problem lies in the development and retention of professional COMINT enlisted personnel, in the same way and to the same degree that professional civilians are required to solve the technical COMINT problems of the headquarters establishment. Although data as to the rate of COMINT re-enlistments are not available, the over-all is probably below 20 percent for all three Services. It is a calamitous fact that the re-enlistment rate of Army intercept operators at present is less than one percent. In my opinion, the single major step most likely to contribute materially to the solution of this problem is the establishment of specific cryptologic career ladders and of an advancement program beginning with the E-1 grade and progressing through E-7

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and W-1 to the rank of W-4 for service technicians. The technician grade structure of each service cryptologic agency should resemble an inverted pyramid of enlisted grades, on top of which stands a smaller pyramid of warrant officer grades, similarly inverted and balanced. Ideally, the number of E-7 and E-6 technicians in the COMINT field should vastly exceed the number of E-1's and E-2's. Advancement should depend entirely on individual ability, not on vacancies. From the E-7 ranks, outstanding individuals would be made warrant officers. Here again, advancement through the WO grades would depend solely on demonstrated competence, not vacancies. The ideal result would be many more E-7's than E-1's, over a period of time. If, in addition to this grade structure, the living accommodations and recreational facilities accorded COMINT technicians were improved as an inverse function of the undesirability of the location to which they are assigned, and travel of families were facilitated to the greatest possible degree, it is felt that a much greater degree of professionalism could be obtained over a period of years. I plan to take this matter up through the Service cryptologic agencies at an early date, and <sup>may</sup> request your assistance in establishing inverted pyramid grade structures. I believe that such a program can be carried out without derogation to other arms, in which T/D or TO & E type organizations, with hazardous duty pay where appropriate, can equitably continue.

g. I do not feel that your statement of my general policy is accurate, or that it is possible to segregate agency positions into "command positions" and "essentially consultant" positions.

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- (1) NSCID-9, is keynoted by one statement, which, I believe, explains the President's motivation in taking the action which led to creation in their present form of the Special Committee for COMINT, USCIB and NSA. The statement is "... that the communications intelligence (COMINT) activities of the United States are a national responsibility, and that they must be so organized and managed as to exploit to the maximum the available resources in all participating departments and agencies and to satisfy the legitimate intelligence requirements of all such departments and agencies..." From this I conclude that the overriding consideration in formulating an NSA personnel policy must be to insure an organization of maximum effectiveness. An organization of maximum effectiveness requires competent personnel in all important jobs. I have also been guided by the following recommendation of the Brownell Committee:

"Below the directorate level, senior positions should be filled by individuals, whether officer or civilian, who have a career interest in the field of communications intelligence. We do not believe that these positions should be limited to civilians, because we are impressed by the testimony given by many witnesses as to the importance of familiarizing the Service organizations in the field with AFSA organization and operations by rotating officers from AFSA into field positions and then back again. Also, the long experience of several Navy officers is one of the great assets of the activity today. On the other hand, it would be a major mistake to limit the senior positions to officers, because it is of the greatest importance to encourage civilians to make careers in the COMINT field by clear demonstration that senior positions will be available to them if their talents merit promotions."

You will note that they use the term "senior positions," rather than "command positions."

- (2) It has been, and will continue to be, my policy, that civilian and military personnel share alike in the responsibility for the

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successful accomplishment of the mission of the Nation Security Agency. Employees, both civilian and military, are assigned to positions for which they are best fitted and in which they may make a maximum contribution to the mission of the Agency.

I cannot and do not tolerate any discrimination because of civilian or military status, race, sex, or religious affiliation. Personnel assignments are made after consideration has been given to job requirements for continuity of experience, knowledge of the current military picture, and career requirements of the individual. Rotation programs, technical and managerial training programs, and self-development and appraisal programs are utilized in preparing all personnel to assume wider and more important responsibilities. In short, every attempt is made to make maximum use of each worker's experience and skills in a position which will not only be conducive to maximum efficiency in the execution of the NSA mission but will also provide the job satisfactions necessary to a satisfied and highly professional workforce.

- (3) As you are aware, when AFSA was created by the merger of ASA CSA in the winter of 1949 (the AFSS not then really existing), ASA operations were conducted almost entirely by civilian employees, while the reverse was true of CIA. The result of this was that the jockeying for position between agencies at the time of the merger carried with it the seeds of a sort of military versus civilian contest which has not yet been eliminated. ASA, which had successfully agitated for the merger, was content to rest on this victory and to obtain for its employees a dominant role in actual operations by filling a majority of the positions

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wherein technical management of a COMINT operating unit or COMSEC or Research and Development function was involved. CSA, in turn, willingly ceded a majority of such jobs in return for a major share of top-level operational management (particularly COMINT) and policy billets. The imbalance which resulted at the several levels of management has not been easy to correct in a short period of time and continues with us to a considerable degree, even though Army and Air Force officers have attained a position of approximate equality by relief of Naval officers in a number of jobs originally held by the CSA component. This equalization between services occurred largely as a result of pressures <sup>exerted</sup> exerted by the Army and Air Force, and during the equalization process the billets in question continued to be occupied almost exclusively by military personnel. It should be noted, however, that during this time there were few civilians of sufficient seniority, experience, and aptitude to qualify for the jobs. This is now much less true. As a result of additional and broader experience during the past several years a number of civilians have now become qualified for assignment to jobs at all levels as vacancies occur.

- (4) The present extent of this imbalance, insofar as COMINT and directly related Research and Development jobs are concerned, if presented statistically by literal interpretation of the NSA organization, would show that 13 out of 17 top COMINT jobs are filled by military personnel. Rotational and other changes which have been in prospect for several months will soon <sup>change these</sup> reduce the ~~number of such jobs to 16 in the ratio of 10 military to 6 civilian.~~ figures to 10 military and 6 civilian (one job will be eliminated).

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However, as you are well aware, uninformed study of a sterile organization chart does not permit an accurate evaluation of many of the jobs shown in terms of importance and influence. Within any organization there are positions at various levels which require the incumbent to be so especially well rounded as to result in his exercising an influence on the destiny of the organization which would appear superficially to be disproportionate to his organizational position. In addition to the 16 jobs discussed above, I feel that there are 17 other senior positions which either fall within this category or are related to the COMSEC mission. Of these, 12 are now filled by civilians and 5 by military. There is 1 change contemplated from a military to a civilian incumbent at an early date which will make the over-all total 14 military as against 19 civilians. In fact, my primary concern vis-a-vis military-civilian relationships is not in the direction you imply, but quite the reverse. Unless an improvement in the situation cited in subparagraph f above soon occurs, an overwhelming preponderance of the Agency's senior positions will have to be filled by civilians. I cannot but feel that this would tend to reduce the responsiveness of the COMINT and COMSEC production to the requirements of the military, and might accelerate the ever-present tendency toward COMINT endeavor for its own sake. These trends must be combatted by inter-assignment of personnel with the intelligence services and operational commands, so that the objective of the organization, the production of that end-product which is needed by the user, is always kept clearly in mind.

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- (5) I have followed up vigorously a continuing program for promoting, to the highest civil service grades, outstanding technicians having skills of vital importance to NSA, but who are either unqualified for senior policy or management positions or are more valuable to the NSA in other capacities. Further, for high-level civilians both those in purely technical positions and those who are qualified for and assignable to policy-making and executive positions, as you know, I have been endeavoring to secure quotas for one civilian in each class at the National War College and at the Industrial College of the Armed Forces. I propose to continue my efforts to familiarize high-grade civil service employees with the problems and functioning of military operations by endeavoring to secure civilian quotas in both senior and junior courses at the various service war colleges and command and staff schools. This familiarization and orientation program could be augmented by a vigorous, healthy, and realistic Reserve program in the cryptologic branches of the military services; it is to be hoped that current efforts by the Secretary of Defense to vitalize our Reserves will enable the services to plan and carry out such a program; this would not only make it possible for the Services to retain their Reservists, who are being lost at a rapid rate by resignations, but also to attract many of our younger civilians to become reserve officers.
- (6) I feel, therefore, that changes in military-civilian relationship in NSA are not desirable, and do not recommend a change in my policies as hereinbefore expressed. I do feel that these policies could be better implemented, and be more conducive to improved

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military-civilian relationships within the Agency, were the Services to improve their cryptologic career policies to the extent that the Agency could be furnished with military personnel with sufficient technical background to carry out the duties to which they should be assigned. Specific steps which could, and in my opinion should, be taken to accomplish this end are:

- (a) Outstanding young officers of O-5 and O-6 rank, particularly the latter, who are likely candidates for general or flag rank, should be brought in in small numbers for three year tours. They will be broadened by the assignment, will bring NSA an awareness of service operational problems and concepts, and in their later careers can assist in keeping the Services aware of the value and importance of NSA's mission.
- (b) Outstanding cryptologic officers of all grades should serve regular tours of duty with operational commands, as well as in service intelligence and COMSEC duties, and at COMINT field stations.
- (c) Competent junior officers of the several services, experienced in ordnance, tactics, communications-electronics, intelligence, counter-intelligence, etc., should be assigned to NSA for the benefit to be gained by their employment as technical advisors in reverse, i.e., technical experts in a phase of military endeavor advisory to cryptologic technicians attacking operational problems.

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- (d) In the case of officers who are assigned for their first tour of duty in NSA and whose seniority would normally dictate their assignment to positions for which their previous training and experience have not prepared them effectively, prolonged training and indoctrination tours should be provided for. This would permit the utilization by NSA of such officers without detriment to their service careers or to the effectiveness of NSA operations.

4. One further item of importance in achieving cryptologic professionalism which was not mentioned in your memorandum relates to the severe loss faced by the cryptologic agencies in coming years of regular military officers, both temporary and permanent. Many of these will have an invaluable background of many years experience in cryptologic operations. Especially in the case of those of O-6 grade who must retire for non-promotion after 30 or more years of active commissioned service, they represent a potential which should be usable, and of great value, to this Agency. Unless they are retired for physical disability, I cannot employ them at all. Even under the proposed legislation which liberalizes Act of July 31, 1894 (Title 5, Section 59a of USC), as amended and Act of June 30, 1932 (Title 5, Section 62 of USC), as amended and which, if enacted, would permit them to waive retired pay and accept full civil service pay, the total compensation thus afforded would not be sufficiently greater than their retired pay alone to attract them. NSA civilian employees who are former temporary officers with permanent enlisted status and retired on 20 years service, now must, ten years thereafter, waive their retired pay or resign. Any solution to this problem, which already exists, and will loom larger in the future, would be of welcome help.

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5. The foregoing, although lengthy, is only a superficial treatment of those items which you raised. I shall keep you informed of developments along this line. I greatly appreciate your interest in these problems and your offer of assistance. I shall ask your assistance from time to time on specific problems which are beyond my power to solve.

RALPH J. CANINE  
Lieutenant General, U. S. Army  
Director

Inclosure

1. NSA Civilian Personnel Program July 1951 to May 1954

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